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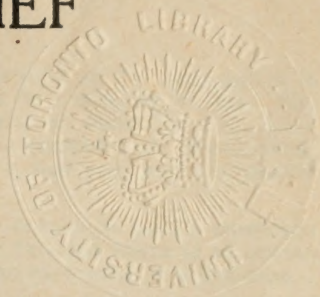
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A Real Case of Political Patronage—A
Plea for Decency in Public Debate.

Speeches In The Legislature By Hon. W. E. Raney,
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The "Offensive" Campaign of Mr. Howard Ferguson.

Speech delivered by Mr. Raney in the Legislature in the Debate on the Address in reply to the Speech from the Throne, session of 1923.

MR. SPEAKER:

One of the purposes served by the annual meetings of the Legislature is the bringing of the Government of the day face to face with its critics. The critics of the Government then have full opportunity of restating their case, as they have been making it in addresses before the electors, and the Government has full opportunity to make its defence, if it has one, and the people follow the debate and judge for themselves.

There are two prime requisites to a profitable debate of public questions—they are truth and good temper. If the facts are falsified there is of course an end of fair argument and bad temper is one of the earmarks of a bad case.

Truth telling is the cement of society. The entire social fabric is held together by the confidence we have in each other. In the absence of that confidence society could not exist.

In public affairs the people look for guidance to public men and public journals. If these succeed in leading them off into fetid fogs of vituperation and scurrility, and into a quagmire of lies, then government of the people by the people will be a failure.

Lord Bacon says that the weaker sort of politicians are the greatest dissemblers. They look to the immediate advantage and forget that once a man has forfeited his reputation for integrity he will not be believed when he speaks the truth, nor trusted when perhaps he means honestly.

Politics ought not to be a game of getting or keeping office and certainly it ought not to be a game to be played without rules of conduct and without regard to common honesty or the common decencies of life.

Up to the present time Ontario has been fortunate in the character of her public men. Mowat and Meredith, Whitney and Ross and Hardy, Hearst and Rowell—these men would not stoop to scurrility or to trifle with the truth,—and not one of them has or had a higher standard of public conduct than the present premier of this province. A statement of a fact by one of these men was accepted by the people as a sufficient guarantee that the fact was as stated, or if one of them was inadvertently led into an inaccuracy he took the earliest opportunity to set himself right. Of late a different atmosphere has been created. Not only has there been vulgar abuse, not only recklessness in dealing with facts, but there have been falsifications of fact—and deliberate falsifications by men who have had peculiar opportunities of knowing the truth, and who do know it—and these falsifications of fact have been iterated and reiterated throughout the Province until the people have become bewildered, and even members of this House have been left in doubt as to what is truth and what is falsehood and the tone of public debate has suffered a lamentable decline.

I was interested in a typical announcement made by the honourable member for Grenville, (Mr. Ferguson) to the Ward 2, Toronto Conservative Association last November. He said, according to the Mail and Empire report, that he was going to fight on until he was in the seat to the right of the Speaker now occupied by Mr. Ernest Drury. And I was reminded then of a speech made by the same honourable member about two years before to the Convention

that made him the successor to Sir James Whitney and Sir William Hearst in the leadership of the Conservative Party in this Province. At the risk of iteration let me remind you of that great speech.

"There is going to be" said the honourable member for Grenville, "The most vigorous, active, energetic, **offensive** campaign that ever was carried on in the Province of Ontario, and let me tell you right here that I have the ammunition now."

Well, he has kept part of his promise. He has conducted an offensive campaign all right. Nothing like it in offensiveness has ever happened in this country. Let me give you a few samples.

At Thamesville in July 1921 he dwelt on what he called the "**political knavery of Drury and Raney**".

Mr. Ferguson—"Hear, Hear!"

Mr. Raney—"At Thamesville the honourable member was speaking with reference to the Timber Inquiry, and the knavery of Drury and Raney was their highly improper conduct in connection with the appointment of a Commission of Judges to investigate irregularities in the Department over which the honourable member for Grenville had been the head.

And in the same speech at Thamesville the honourable Member for Grenville referred to the Timber Inquiry as a "claptrap political conspiracy," the conspirators of course being the Timber Commissioners and the Premier and the Attorney General.

Then in May of last year in a lecture on Ontario politics given to the Conservative ladies of Ward 7 in this City he gave an illustration of the courtesy due from a political leader to the party on the opposite side of the House. In that address, according to the Mail and Empire report, he spoke of the members on this side of the House as "**intellectual and political freaks who were projected into prominence by accident and who grew out of the garbage**" etc.

Mr. Ferguson—"I can see them now."

Mr. Raney—"The honourable member must have been inspired by his audience on this occasion, because he was more than usually happy in his offensiveness to this side of the House. He went on to tell the ladies that when he looked across the floor of the House,—this was last year when the House was in Session,—he was reminded of the Pharisee of old and remembered "that his progeny can be traced down some 2000 years," and, he added, "I can see them sitting opposite me every day in the Legislature."

So that two years after the honourable member had made his promise to conduct an offensive campaign he was still going strong. Members on this side of the House are knaves and conspirators and freaks and Pharisees.

We are ready now for the announcement made by the honourable member at Brampton in November last and often made elsewhere, that the people of Ontario went suddenly off their mental balance on the 20th October, 1919, when they elected this Government of knaves, conspirators, freaks and Pharisees. The election he said, and he has repeated the same thing on the floor of this House, was the result of an epidemic of hysteria. That is offensive to this side of the House and it is also offensive to the people of Ontario who voted for the members on this side of the House.

Then in December last at Ward 5 Conservative meeting he got down to the meat of the cocoanut and modestly drew a contrast between his own virtues and the deficiencies of the present Government. He told his hearers that the issue at the coming election would be between the hypocrisy of the men who now occupy the seats to the right of the Speaker and his own honesty and candour, between his own efficiency and the stupid blundering and waste which has characterised the present Government.

Members on this side of the House have been less troubled over the free language of the hon. member for Grenville than otherwise they would have been, because they find that they are not the sole objects of his vituperative attentions. Two highly respected members of the Ontario Judiciary were chosen to conduct an inquiry into the administration of the Crown Lands Department. The acceptance of this task by these gentlemen was taken by the hon. member for Grenville as a personal affront, and immediately his campaign of offensiveness was extended to include them, and then and there they ceased to be respectable members of society.

As long ago, Mr. Speaker, as February, 1921, he told these gentlemen in a speech here in Toronto to the Ward 4 Conservative Association what he would do to them. Their names he said, would be a byword "an absolute byword in the Province of Ontario," and so, to make good his promise, he went up and down the Province telling the people that these two judges were disreputable persons, a "nefarious outfit" he called them at Thamesville, and the Inquiry he said was an "infernal farce", language which he repeated afterwards on the floor of this House. According to the dictionary "nefarious" means "vile, wicked in the extreme." Even this language not being adequate to express all that the hon. member felt towards these two gentlemen of his profession who had ventured to agree to act on a Commission of Inquiry into a matter that involved his conduct of the Crown Lands Department, he worked himself up at Hamilton in February last to the point of calling them "skunks,—a word that calls for no dictionary interpretation.

And then in his speech on the floor of this House the other day he reversed the figure of speech and spoke of these two judges as a "smelling commission," roving up and down the country looking for bad odours.

And so you have the record of the members who sit on this side of the House, according to the gospel by the honourable member for Grenville. The Premier of Ontario is a knave. We are knaves. We are conspirators. We are intellectual freaks. We are Pharisees and hypocrites. We are dishonest men. We are maladministrators. We are reckless wastrels.

On the other hand he and the honourable member for North York and the honourable member for West York, and other members in that quarter of the House who will be members of his cabinet when he sits in this coveted seat, to use his own phrase, have not a shadow of a stain on their escutcheons. Their chief characteristics are candour, and honesty and capability to administer the affairs of this Province. He modestly tells us so himself.

Now I call the attention of the followers of the honourable member for Grenville to the fact that all this bad language that I have quoted by the honourable member for Grenville was used on occasions when he had the platform all to himself. They were not cases of hot debate in which for the moment the honourable member lost his temper and said things which he might afterwards regret. On the contrary on every occasion the scurrilous language was used in cold blood. It was deliberate. Not only so but it was repeated again and again with variations on scores of occasions before scores of audiences from Cornwall to Windsor, and from Niagara to Cochrane. In other words in these speeches the honourable member has revealed himself. He has discovered his motive. He has laid bare his innermost thoughts. They say what a man thinks when he is sober will come out when he is drunk—but the honourable member has not even that poor excuse. He was sober all the time.

Members of the House will not fail to have observed a nice discrimination in the ornate language of the honourable member for Grenville. All the highly flavoured compliments which he has paid to the Judges of the Timber Commission have I think been repeated in this Chamber. But here he has obviously been under some restraint in his language in speaking of members on this

side of the House. He has not called us to our faces knaves or conspirators or Pharisees or hypocrites or intellectual freaks or told us that we sprang from the garbage.

I confess to some doubt as to whether the comparative moderation of his language in this Chamber where his offensiveness rarely rises above his common phrase "Us farmers", arises from a fear of starting something that he might not be able to finish, or whether his picturesque language when addressing a Conservative Ward Association may be due to a surcharged atmosphere. There is the other possibility. It may of course be that his restraint in this Chamber is due to the rules of the House which are a little severe on common bar-room blackguardism. Whatever the cause I am sure members on this side of the House would prefer that he should talk to them to their faces just as he does about them behind their backs. They will waive the Marquis of Queensbury rules. Farmer and labour men are downright persons. They respect a man who is not afraid and they would much prefer that the honourable member for Grenville would fracture the rules of the House if he feels like it rather than incur the suspicion of cowardice.

Personally I welcome the approach of the culmination of the honourable member's campaign of offensiveness. It has been afoot now for more than two years and it is time we saw the end of it one way or the other. Either he must go down with his charges or the Government must go down. Well, Mr. Speaker, we invite him to the proof. He says he is going to see to it that at this session all our "misdeeds, shortcomings and wrongdoings will be revealed in all their ugliness." Having given that promise we on this side of the House will hold him to it.

But what are his charges? First—extravagance,—this Government has been extravagant. Well, if so there will be instances. Let him give them. There is no use shouting extravagance unless you tell wherein it consists. Let him make a motion condemning the Government for extravagance.

Then he charges gross political patronage. Again let him give instances and make a motion of censure.

He charges maladministration of the Ontario Temperance Act. Let him move another vote of want of confidence in the administration of the Ontario Temperance Act.

He has condemned the Commissions issued by the Government. Again let him specify and let him test the judgment of the House.

Finally there is the "notorious" Backus deal. Let him repeat here what he has said outside the House and let him take the opinion of the House, and let him hasten to do this.

Let there be no mistake about it. Either the Government will be condemned as dishonest and incapable or the honourable member for Grenville will be condemned.

The Government is ready.

If the honourable member for Grenville is not ready to take the risk of bringing his charges in these matters to the test on the floor of the House, this House and the country will judge him.

Before I proceed to give instances of the manner of dealing with facts which has been characteristic of the fight the honourable member for Grenville is putting up for the first seat to the right of the Speaker, let me refer very briefly to the honourable member's policy on prohibition because I do not at all agree with those who say he has no policy. He has a policy on this question and he will pardon me if I disclose it to the House.

MR. FERGUSON'S POLICY ON PROHIBITION

Physical laws are immutable. You cannot be on both sides of the fence at once. You cannot steer a course due north by south. You cannot be both wet and dry at the same time. But in politics, if the politician is a magician,

all these things are possible. He can be on both sides of the fence at once. He can lay a course due north and actually move in the opposite direction, and above all he can be as wet as the Atlantic Ocean and as dry as the Sahara.

For an instance, take the record of the Hon. member for Grenville. He was a member of the Government that brought down the Ontario Temperance Act in 1916 and he was also a member of the Government that framed the Referendum questions in 1919 and submitted them to the people. The people ratified the Ontario Temperance Act by a vote of two to one with 50,000 to spare, and everybody said that at last the liquor question had been taken out of politics in this Province for good and all; but last winter the Toronto Conservative Club passed a resolution for the nullification of the Ontario Temperance Act and at a meeting in Hamilton in February of last year the Hon. member for Grenville was asked about it, and what was his answer? I have it here in the report of his speech in the Hamilton Herald. He said:—

"I am not responsible for the Toronto Conservative Club and I don't know if they did pass such a resolution. We have no platform regarding liquor. Do you think it safe for a party in opposition to have a platform? Don't you think it best to let the other fellow show his hand first and then play your cards?"

In other words, the Hon. member disowned his own offspring. That is clear enough. He had a platform in 1916 and 1919, and that platform was prohibition. But in 1922 he has no policy, no platform at all. It isn't safe, he said, to have a platform on this question. He is playing a game of poker and he does not propose to lay his cards on the table for the other fellow to see. Not he. He is too astute for that. He says so himself.

But he did go some way in the direction of stating his policy,—almost as far in fact as the Hon. member for North York (Mr. Lennox) has gone, or the newly elected member for South-East Toronto (Mr. J. A. Currie). He went right on to tell his Hamilton friends that some means must be found "to allow people to exercise a God-given freedom under reasonable restrictions."

Well, that could be interpreted to mean wine and beer which was just what the Toronto Conservative Association by their resolution had called for.

I do not pause now to discuss the Ontario Temperance Act. That will keep for a later occasion. What I am pointing out at this time is the effort and the successful effort that has been made by the honourable member for Grenville to capture the whiskey vote of Ontario. The Globe newspaper continues to call upon Mr. Ferguson to define his position on the Ontario Temperance Act. But to what end? He has now the support of every liquor man in the Province, every distiller and brewer, every bootlegger and rumrunner, every blind pigger and moonshiner, every race track gambler and every hand book man,—and what more could he gain by a fuller statement of his policy? He has told the liquor Trade that Codlin is his friend, not Short, and the Trade believes him.

COMMISSIONS THEN AND NOW

I do not apprehend, Mr. Speaker, that the Honourable member will accept my invitation to descend to particulars in any of the matters that have been the subject of his blanket charges. And so I propose to deal myself now with two or three of them; and first with the one that is repeated most often on the floor of the House, namely the charge that this Government has been governing the Province by Commissions. He told the Ward 4 Conservative Association in his own exclusive and superlative language that the Commissions issued by this Government constituted the "most remarkable exhibition that has ever occurred in the history of any British speaking race, or

anywhere in the world for that matter." Well the Prime Minister pricked that bubble—but let me give you some further facts about the Commissions issued by the present Government.

Commissions have been issued by the present Government in just about the same manner and for just about the same reasons that they were issued by the late Conservative Government. And what were these reasons:

Take first—Commissions that have been issued in respect of municipal matters, and at the request of the municipalities. There were four of these—the Commission of Inquiry into the Toronto Police Court,—the Commission of Inquiry into the Brantford Police Court—and Commission of Inquiry into the financial affairs of Oshawa and Cobourg. These four Commissions were at the request and at the expense of the different municipalities.

Second—There were three Commissions of Inquiry in 1920 into the conduct of hospitals and other public institutions,—an inquiry into charges connected with the management of the Ontario Hospital at Hamilton—a like inquiry into the Ontario Hospital at London, each being conducted by a County Judge; and an inquiry into the management of the Ontario Industrial school by officials of the Education Department in respect of which there was no expenditure at all.

Third—Ever since the passing of the Succession Duty Act there have been occasional inquiries by commissioners into the estates of deceased wealthy men. Two commissions of this character issued in 1920. Although under one of these commissions nothing was done, that commission is included in the commissions charged against the Government. The other commission resulted in the recovery by the Province of an addition to the amount of the succession duty chargeable to the estate of \$81,263.98 and that commission cost \$7,575. That looks to me like good business.

Fourth—Then there were seven commissions to investigate charges against officials engaged in the administration of justice, the most expensive of which was the commission called for last year by the charges preferred by the Hon. member for North-East Toronto (Mr. Lewis) in connection with the death of Orville Huston. Other commissions under this heading were the Commission of Inquiry at Dunnville, demanded by the friends of Police Magistrate Hastings, and a Commission of Inquiry at Guelph in connection with charges made by a gentleman named Sleemin who alleged that officers enforcing the Ontario Temperance Act had endeavoured to extort money from him. On the hearing he withdrew the charges and the entire cost to the Province of this commission which was a Departmental nature was \$169.50.

Fifth—Then there were miscellaneous commissions—One in respect of the Public Service; one in respect of Natural Gas; one in respect of the Soldiers Settlement at Kapuskasing; one in respect of the financial obligations of the Province to the Universities; one at the instance of the Department of Education into official responsibility for the theft of examination papers—and that is about all, except the three principal commissions to which I will refer in a moment.

Apart from these three commissions the entire cost to the Province of all the commissions issued by the present Government has been \$57,043.59.

As compared with this the late Government paid to one Toronto lawyer for looking after six comparatively unimportant commissions no less a sum than \$28,000, or half the entire cost of all the commissions issued by this Government, outside the two Hydro Commissions and the Timber Inquiry.

Leaving out of the count commissions issued by the Government at the request of Municipalities for purely municipal purposes and which have cost the Province nothing, and omitting the committee appointed by this House in 1921 to investigate wage conditions at Chippawa, which committee was given the powers of a commission, and a commission issued in respect of the

estate of the late E. F. B. Johnston under which nothing was done, 19 commissions in all have been issued by the present Government of which 13 were issued in 1920, 3 in 1921, and 3 in 1922.

Of the 55 commissions issued by the late Conservative Government between 1906 and 1919, Sir William Meredith was the Commissioner or was the Chairman of no less than six and was paid for his services in these matters \$20,538.65. I mention these matters not by way of criticism of the Chief Justice of Ontario, or even of the late Government, but by way of pointing out the utter dishonesty of the criticism that this Government has introduced an innovation which the Hon. member for Grenville calls Government by Commission.

The abnormal number of commissions issued by this Government in 1920 was due to conditions for which this Government was not responsible,—conditions inherited from the late Government. If the outgoing tenants had left the premises in good order these house cleaning commissions would not have been necessary. And now the late tenants have the hardihood to rail at us for cleaning up the mess which they left.

Just one word now as to the three commissions that may be described as dealing with controversial matters—

1. The Commission on the administration of Crown Lands—commonly referred to as the Timber Inquiry.

2. The Hydro Radial Commission, and

3. The Commission now investigating the Hydro Electric Power Development now sitting.

I believe it is the general opinion of the people of Ontario that these commissions have all justified their appointment, in fact that all three were inevitable.

The cost of the Sutherland Hydro Radial Commission was not four per cent. on the interest for one year of the expenditure proposed by Sir Adam Beck for Hydro Radial Railways.

Mr. MacBride—"How much are you alleging Sir Adam Beck proposed to spend."

Mr. Raney: "He proposed to spend ultimately \$200,000,000 and the proposals put before the Government were for \$50,000,000 as the first step.

The cost of the Timber Commission was less than ten per cent. of the amount realized on the settlement of the Shevlin Clarke action alone.

As to the present Hydro Electric Commission of Inquiry the interim report already made on the Nipigon development amply justified the appointment of that commission. The Province has a Hydro Electric investment of \$161,604,856.63, the interest charge on which is about \$9,000,000 a year. The municipalities have a further investment of about \$90,000,000 making \$250,000,000 in all. Compared with this sum the cost of the commission of inquiry will be a bagatelle, and it will, I believe, result in benefits to the Province a hundred fold greater than its cost.

As an illustration of the length to which this talk about Commissions has gone take this extract from a speech made by the Hon. member for Grenville at Hamilton in February last:—

"Perhaps the most laughable thing in the whole administration was the commission appointed to inquire into the escape of the Murrell Brothers. This Commission cost between \$2,000 and \$3,000, and they merely discovered what everybody knew—that the men had escaped.

Looking it up at the time I found that as a matter of fact Mr. Dunlop of the Provincial Secretary's Department has gone to London to make a Departmental investigation and to fix the responsibility for the escapes and that he had asked Mr. Bayly of my Department to accompany him as legal adviser.

The total cost to the Province was \$58.30 for railway fares and hotel expenses. Not only was there the exaggeration by the Hon. member for Grenville of this amount until it bulked as \$2,000 or \$3,000, but as a matter of fact, no commission was issued at all. It was just an ordinary Departmental investigation.

BACKUS DEAL FICTIONS

Perhaps I could not choose a better illustration of the irresponsibility that has characterised the criticisms of the present Government than by referring to some of the things that have been said about the Backus transaction.

Take for instance the statement made by the Honourable Member for Grenville in his speech at Exhibition Park in September last, referring to the English River limit, that

"This huge territory, 3,000,000 acres in extent, was sold en bloc."

In November last he referred to the transaction in his speech at Brampton saying that

"The Government has handed to a foreigner a tremendous area the size of old Ontario west of Hamilton."

In other speeches he spoke of the English River limits as a vast empire.

Of course everyone will understand from this grandiloquent language that this Government has alienated to Mr. Backus a vast tract of Ontario's public domain.

Now the fact is, as the Honourable Member knows perfectly well, that the Government has not in connection with this English River transaction turned over a single acre of land to Mr. Backus. All that the Government has done is to sell him the timber.

Paragraph 11 of the agreement which I hold in my hand, reads thus:

"It is distinctly understood that the grantees obtain the right to cut the timber only, and have no right to the soil or use thereof, except as may be necessary for cutting and removing the wood and timber as aforesaid."

And paragraph 19 reads as follows—

"The Crown shall retain the right to sell, lease, locate or otherwise dispose of any lands included in the said territory on the same terms and conditions for settlement, mining, or other purposes as ordinary Crown lands situated elsewhere."

In his speech in this House the other day the Honourable Member for Port Arthur (Mr. Hogarth) said that Mr. Backus acquired 6,000,000 cords of pulpwood for \$50,000.

In his speech at Brampton the Honourable Member for Grenville said—

"It is known that there is 10,000,000 cords of spruce timber on the limits."

Both statements are wild exaggerations. In the first place according to the report of Mr. Zavitz, the Provincial Forester, only one half of the area carries timber, the other half being muskeg, bare rock, water or burnt over country. Mr. Zavitz reports to the Government are that the area carries 1,000,000 to 1,200,000 cords of spruce pulpwood. Mr. Zavitz has been with the Department for many years, has been Chief Forester for ten years, is a very capable man, and his estimate may be accepted by the public as approximately accurate.

The statement made at Brampton by the Honourable member for Grenville that the Backus timber limits were as large as the whole of Ontario west of Hamilton was modified by the Honourable member in his recent speech in

this House when he said that the limits were one-half as large as the whole of Ontario west of Hamilton.

Well, the fact is that the entire English River limits consists of an area equal to a strip of land along the C.P.R. from here to Windsor, seven miles on each side of the railway.

Then in his speech at Island Grove in July, 1921, the Hon. member told his hearers that the Government had sold to Mr. Backus 18,000,000 cords of pulpwood at one-third of a cent a cord. Afterwards at Exhibition Park, in this City, in September last, he raised the price to half a cent a cord and that statement he repeated in his speech here in the floor of the House the other day.

Now, Mr. Speaker, I hold in my hand a copy of the lease to Mr. Backus and it states plainly just what Mr. Backus is to pay for every kind of timber on the English River area. I read from the tenth paragraph as follows—

"The Grantees as to the right to cut the merchantable timber and wood on the said area as above described shall pay a bonus of \$50,000.00 (the receipt whereof is hereby acknowledged) and the following dues on said merchantable timber and wood, that is to say——"

Following these words there is a tabulation of prices on pulpwood, cordwood, tan bark, railway ties, cedar poles, saw logs, etc., and the price set opposite spruce pulpwood per cord is 80 cents.

Is it necessary that I should make any comment on the conduct of the Hon. member in seeking to lead the people of Ontario to believe that the Government had sold 18,000,000 cords of pulpwood to Mr. Backus at one-third or one-half cent. per cord, and then given Mr. Backus all the rest of the timber on the area for nothing.

But is there any, the least sincerity, Mr. Speaker, in the criticism repeated by the Hon. Member for Grenville the other day on the floor of this House that the Government was not justified in selling to Mr. Backus so large a quantity of pulpwood as that contained in the English River Limit. The answer is easy enough. It is supplied by the Hon. Member the ex-Minister himself, and is to be found in the files of the Crown Lands Dept. The Hon. Minister himself was trying to sell the same English River Limit between 1915 and 1919 not at 80 cents a cord for the spruce pulpwood but at 40 cents. In fact the Limit was formally offered at public competition in 1915 by the then Minister of Lands and Forests on this basis. Not only so but the late Minister was in treaty with Mr. Anson of the Abitibi Company during this time to sell to him not only the timber on the area south of the English River which is the present English River Limit, but the area north of the English River of upwards 7,000 square miles, or in all a limit of upwards of 10,000 square miles. And the only reason he did not succeed was that Mr. Anson came to the conclusion after an examination of the area, as he told the Court when he was called as a witness in the Backus libel suit against the Toronto Evening Telegram the other day, that it did not contain sufficient pulpwood to justify the development he had in contemplation.

Moreover this policy of development of the pulp industry by a few large mills instead of many small mills was the well considered and well settled policy of the late Government.

The policy of the late Government is well illustrated by a letter which the last Minister of Lands and Forests wrote to the Spanish River Pulp and Paper Co. in September 1919. In that letter he agreed to reserve for the Spanish River Co. an area of no less than approximately 5,700 square miles of pulpwood, although the Spanish River Co. already had the right to cut over nearly 12,000 square miles of territory. The reserved area, if it were granted, would increase the total area of the Spanish River Company's limits to nearly six

times the area of the English River Limits. In his letter to the Spanish River Co., 25th September, 1919, the former Minister said:—

"There can be no doubt that industries such as yours can be more economically and efficiently conducted on the basis of large units, and it is to the best interests of the Province as a whole that a reasonable number of large mills should be maintained, rather than a large number of small mills which means an increase of overhead and operating expenses and short life of the industry."

In other words the Minister who is now criticising this Government for selling an area of 3000 square miles of pulpwood to Mr. Backus by public competition, himself agreed in 1919 just a month before the elections, to sell 5,700 square miles of pulpwood without any competition whatever.

In a similar letter to the Abitibi Company in April of 1919 setting aside 1500 square miles for that company the Minister said:—

"My ambition has been to see the largest paper industry in the world established in this Province, and my attitude towards the pulp and paper industry has been directed towards assisting in bringing this about.

"There can be no doubt that enterprises such as yours can be most efficiently and economically carried on on the basis of large units. It must be admitted that it is preferable to have a reasonable number of large mills maintained than a large number of smaller institutions."

I am not, now dealing with the action of the late Minister in agreeing to dispose of these great timber areas of pulpwood without competition; what I am criticising at this moment is the insincerity of his attitude towards the Backus sale, as evidenced by his own acts when he was Minister of Crown Lands.

You will note that I am not confronting the Hon. Member with dubious or disputable evidence. I am confronting him with documents and I propose to deal in the same manner with the next item to which I will refer, that is to say the Honorable Member's criticism of the agreement which was a part of the so-called Backus deal to lease the White Dog Rapids water on the English River to Mr. Backus.

In his speech at Exhibition Park in July, 1921, Mr. Ferguson said:

"Years ago nearly all the water powers in the Lake of the Woods region were parted with by the Crown. The Big White Dog Rapids with its 50,000 horse power alone remained the property of the people."

"The Liberal Conservative Government had many times refused to part with this valuable power."

Now you will observe the two statements, first—that nearly all the water powers in the Lake of the Woods region had been parted with by the Crown, with the exception of the White Dog Rapids, and secondly, that the late Government had many times refused to part with this valuable water power.

Well I hold in my hand a map of the region in question issued by the Department of Lands and Forests, and this map shows the White Dog Falls marked 45,000 h.p. and within ten miles of it two other water powers marked respectively 45,000 h.p. and 13,000 h.p. and forty or fifty miles further up the river three other water powers marked respectively 17,000 h.p., 33,000 h.p. and 23,000 h.p. or a total of 131,000 h.p. on the northern boundary of the English River Limits exclusive of the White Dog Rapids.

So that it is not true that the White Dog Rapids was, when this Govern-

ment came into power, the only remaining water power in the Lake of the Woods region.

Mr. Ferguson: "Might I ask my Hon. Friend why he did not give Backus one of these, instead of the White Dog?"

Mr. Raney: "If we had, my Hon. Friend would have asked why we did not give the White Dog. It is not true that the White Dog Rapids was the last water power, or anything like it. All these water powers have been running to waste since the days of the glaciers. They are of no use unless they are developed.

But is it true that the late Government was refusing to part with the White Dog Rapids? The answer is to be found in a lease which I hold in my hands made by the late Government to the Grand Trunk Pacific Development Co. in 1911, and the subject matter of this lease is this identical White Dog water power, and what were the terms of the lease? The document required the lessees to pay a rental of Ten Dollars a year for the first two years, and a minimum rental of \$2,500 a year thereafter—that is to say on the basis of a development of 5,000 h.p. at fifty cents per h.p. And what was the security which the Development Co. was called upon to put up for the due carrying out of its contract to develop this water power. The security was the magnificent sum of \$500.

Contrast this security with the security exacted by the present Government from Mr. Backus of \$250,000. Government bonds for that amount are now in the Government vaults under the terms of the agreement with Mr. Backus and are held there as security for the carrying out by Mr. Backus of the terms of his agreement with the Government.

The records of the Government show that after default of the Grand Trunk Pacific Development Company for three years the lease of the White Dog power was cancelled in 1914.

These transactions were before the Hon. Member for Grenville became a member of the Government. After he became a member of the Government in 1917, Mr. H. P. Hill of Ottawa, now a member of this House, applied to him on behalf of the Keewatin Power Company for a lease of this White Dog water power. So far from being told that the water power was not in the market, the Hon. Member for Grenville, then Minister of Lands and Forests, wrote to Mr. Hill requesting him to place his entire proposition before him so that he could have an opportunity of placing it before the Council for consideration. So that if the Hon. Member for Grenville did not himself dispose of the White Dog Water power it was not because this power was being reserved by the Government, but because it was not able to find a customer.

But then comes the real germ, the real active principle behind these other falsifications of fact,—Listen to the Hon. Member at Orland in September last. The Hon. Member told his hearers, as he put it, "seriously and solemnly" that he would resign his seat in the Legislature if he did not succeed in establishing that the agreement with Mr. Backus had been entered into "deliberately, designedly and secretly" in the Prime Minister's office.

In September, 1922, at Exhibition Park he said:

"The mystery surrounding the suppression of the publicity of the sale is a secret that must yet be revealed."

and in this House the other day he referred to a "private" agreement with Mr. Backus, a thing done "designedly and purposely" and he spoke of the "suppression" by the Attorney General of a letter written by the Attorney General to the Minister of Lands and Forests after the signing of the agreement with Mr. Backus on the 30th September, 1920.

These references all point in one direction—they indicate as clearly as can be indicated by language the suggestion of a sinister motive on the part of the Premier and the Attorney General of this Province in connection with the agreement with Mr. Backus.

Similar language has been used by the Hon. Member for Grenville on many occasions, all pointing in the same direction. If this language does not suggest impropriety on the part of the Premier and the Attorney General of this Province it is meaningless.

Now I happen to know all about this transaction. It happens that the document was not negotiated in the Premier's office, but the final agreement was reached in my own office when the Premier was not present, the Government being represented by the Minister of Lands and Forests with his assistants and the Attorney General.

If the Hon. Member for Grenville is honest in his belief that there was impropriety in connection with this transaction his course is clear. He should, and he must, make a charge on the floor of this House, and ask for an inquiry before a Committee. The Government courts investigation; if the Hon. Member for Grenville is not willing to face it the people will put their own estimate not only on his charges but on his sincerity.

Please notice again that I am not now dealing with the Backus agreement on its merits. If I were I would read to you letters from Kenora describing what that agreement has done for that most westerly and most distant from Toronto of Ontario towns; what I am doing now is demonstrating the dishonesty of the criticism of the Backus agreement.

POLITICAL PATRONAGE THEN AND NOW

Another favorite subject of discussion by the Hon. Member for Grenville in his political peregrinations is the gross political patronage of this Government. Here again I invite him to give instances. In the meantime I will give him an instance of gross political patronage with the facts of which he is very familiar.

The case of political patronage to which I refer is the transactions between the late Government and Mr. Mathieu now and since 1911 a member of this House and until recently Vice-President of the Shevlin Clarke Company.

Let me recall very briefly just what these transactions were:

In 1917 just before the Dominion election of that year, Mr. Mathieu came to the then Minister of Lands and Forests (Mr. Ferguson) and intimated that he desired to purchase Berth 51 in the Quetico Park Reserve. Both he and the Minister knew of the Crown Timber Regulation having the force of a Statute which requires that before being sold all Timber berths "shall be explored and valued and then offered for sale by public competition, and at an up set price."

Of course the regulation presupposed an exploration and a report and a valuation by a competent timber expert, a man accustomed to cruising and valuing timber limits.

The timber limit in question, according to an estimate which the Company had itself procured, carried 76,000,000 feet of pine, and at current prices was worth about \$1,500,000.

Now who did the late Minister of Lands and Forests select to explore and cruise this valuable timber limit which Mr. Mathieu residing at Fort Frances, and being a supporter in this Legislature of the late Government, desired to purchase?

The commonest kind of business honesty and acumen would have suggested to the late Minister of Lands and Forests that under these conditions he ought to call in the services of the most expert timber cruiser that could be found, and one moreover who would have no connection or acquaintance with Mr. Mathieu or his Company. Common prudence would have suggested the selection of such a man.

Well now, Mr. Speaker, who did the late Minister of Lands and Forests select for this very important duty? He selected a young man named Allan McDonald, who knew nothing about timber cruising and had never explored or

valued a timber limit in his life time. And who was Allan McDonald? In 1917 he was a youngster who had been a clerk in Mr. Mathieu's office at Fort Frances and who on Mr. Mathieu's nomination had just before been appointed assistant Crown Lands agent at Fort Frances.

And what did young Mr. McDonald do when on the 6th of Sept., 1917, he received this important appointment by telegraph. Well, he did nothing at all. He stayed around the Fort Frances office probably playing checkers with Mr. Watts, the Crown Lands agent, or with Mr. Mathieu until the 29th of Sept. and then he made this report:—

A Member:—What Mr. Mathieu is that? Is that the Hon. Member of this House?

Mr. Raney:—Yes, for this and the two previous Parliaments. I am estimating now the value and sincerity of the Criticism of the Hon. Member for Grenville that this Government has been guilty of political patronage

This is the report that young Macdonald made:—

Fort Francis, 29 Sept, 1917.

"George Watts, Esq.,
Crown Timber Agent
Fort Francis, Ont.

Sir:—

Acting on your instructions I went to limit No. 51 and estimated the timber thereon and beg to report as follows:—24,900,000 feet of pine, 40 per cent. of which is white, the balance is red pine. The white pine is large and considerable of it punkey. The red pine is of fair quality except along the shores of the rocks where it is small and scrubby. There is some spruce, balsam, poplar and Birch scattered throughout the limit but not in sufficient quantities to be of any commercial value.

I would consider \$7.00 per thousand feet a fair price for this timber.

Your obedient servant,
Allan Macdonald."

Mr. Ferguson:—That was the grossest piece of dishonesty in the department that I have ever known in the history of the Department, practiced by this young man.

Mr. Raney:—The young man. I venture to think, was not as responsible as some other people for what happened.

Young Mr. Macdonald was called as a witness in the Shevlin Clarke action and under oath admitted that every word of this report was false, that in fact he had never been on the limits at all. But, and this is the point, his report was just as valuable as it would have been if he had spent his time on Berth 51, because knowing nothing about timber cruising it would have been idle for him to have gone through the motions. At any rate that was the view he and Mr. Watts and I suppose Mr. Mathieu took of the matter. The whole thing was a pretence and a sham and they knew it, and why should young Mr. Macdonald take exercise to no purpose?

The selection of this young man was a disgrace, a scandal. Not that Macdonald did not want to be honest. I saw him afterwards—a fine upstanding young fellow, who had been in the army, who had been taken out of the army for this appointment—appointed first as clerk in Mr. Mathieu's office, and afterwards at Mr. Mathieu's nomination as deputy Crown Lands Agent in Fort Frances.

Then what advertising did the late Minister do of this limit 51? Did he follow the usual practice of advertising in the newspapers, as this Government did the English River limit? On the other hand all the advertising he did of this valuable limit was to send circulars to some fifty addresses, most

of them addresses of person who were dead or out of business, or who were or had been engaged in the business of getting our railway ties in a small way and who could not possibly be interested in a big proposition of this nature.

Well the result was that Mr. Mathieu bought the pine on this berth at \$6.26 a thousand, which was at least \$10.00 a thousand less than it was worth. If an honest and competent appraiser had been employed to cruise the limits Mr. Mathieu would have had to pay what the timber was fairly worth.

Then in 1919 just before the Provincial election of that year Mr. Mathieu wanted two other timber berths in the Quetico Forest Reserve,—that is to say berths 45 and 49. Again he made his wishes known to his friend and leader, the late Minister of Lands and Forests. But this time it was not thought safe even to run the risk of sending out circulars calling for tenders, and so the plan was devised of making a contract with Mr. Mathieu under which he was to make an experiment of burning the brush on these two limits and because of that special arrangement competition was to be dispensed with. Asked by Mr. Justice Latchford at the timber inquiry whether he had the right to dispense with the regulation which called for public competition the late Minister answered:—

“I was superior to the regulation where I thought it was in the interests of the Province.”

But the Minister thought it worth while to go through the form of complicity with the regulation as far as the exploration of the limit was concerned and to go through the motions of getting an estimate of the quantity of timber on these limits and its value, and again therefore young Mr. Macdonald's services were brought into requisition, and he and a man named Nault were sent to cruise the limits. They spent two or three weeks on it and then reported to the department that the limits carried 42,000,000 feet of Pine and was worth \$8.50 a thousand, including crown dues.

In 1919 young Mr. Macdonald was still as ignorant as he had been in 1917 of forestry matters. His estimate of 42,000,000 feet was a poor guess, and his estimate of the value of the lumber was, he said, made on the basis of his estimate of berth 51 in 1917 which had no basis at all because he knew nothing of the subject.

The actual quantity of timber on berths 45 and 49 according to the evidence adduced in the Shevlin Clarke action was not 42,000,000 feet but from 100,000,000 to 110,000,000 feet of pine, and the actual value was not that at which the timber was sold by the late Minister, namely, \$9.50 a thousand, but as found by the trial Judge in the Shevlin Clarke action \$20.10 a thousand. In other words the late Minister in this transaction made a present to his friend and supporter in this House, Mr. Mathieu, of from \$1,000,000 to \$1,250,000. If an honest and competent man had been employed to cruise these limits he would have reported more than twice the timber reported by Macdonald, and Nault and he would have fixed the value at not less than \$20.00 per thousand instead of \$8.50.

Then the very day young Macdonald left Fort Frances to look over Timber Berths 45 and 49 in the interests of the Government and of his patron and former employer, Mr. Mathieu, Mr. Mathieu notified him that he had had him appointed enumerator for the election then about to be held, and when he came out of the woods he performed this service also for his patron Mr. Mathieu, and then also on the nomination of Mr. Mathieu, acted as returning officer at the election, and the Government of the honourable member for Grenville paid him his full salary as assistant crown timber agent during the time for which the Government was also paying for his services as election enumerator and returning officer.

Why should he not make a report that would be satisfactory to his patron, the Honourable Member for Rainy River.

I do not pursue this subject further at this time. I do not now discuss the frauds that were put over the Government by Mr. Mathieu's company whilst the honourable member for Grenville was Minister of Lands and Forests to the extent of hundreds of million feet of lumber. I merely say to the House that as an instance of gross political cash-and-carry patronage there is nothing in the history of Ontario, perhaps nothing in the history of Canada, to compare with the relationship that existed between the honourable member for Grenville and Mr. Mathieu, Vice-President of the Shevlin Clarke Company, during the years the honourable member for Grenville was Minister of Lands and Forests.

You will note again Mr. Speaker, that I am not dealing in vague generalities. I am discussing things that have been established by documents and sworn evidence before a Court of Justice, and with facts as found by the Court. And then I have only to remind you that in respect of these matters the Government made a settlement with Mr. Mathieu's company after judgment in the Shevlin Clarke action which will net this Province between \$1,250,000 and \$1,500,000, a sum perhaps approximately fifty per cent. of the amount lost to the Province in the matters that I have referred to.

Now I have not discussed this subject at this time with a view to putting the full facts of these transactions before the House. I have only noticed these incidents in the administration of the Crown Lands Department by the honorable member for Grenville as an illustration of the kind of political patronage practiced by him whilst he was in charge of a department of the Government of Ontario, and as evidence of the insincerity of the criticisms of political patronage against this Government—unless the honorable member for Grenville will give specific instances.

If he has instances of political patronage, gross or trivial, by this Government to mention to this House I trust he will do so before the close of this session or else forever hereafter hold his peace on the subject of political patronage.

The honourable member stated at Brampton last November that this Backus deal was a case of political patronage.

"Patronage," he said, "is bad enough for Canadians but for foreigners.... shame on the Prime Minister that put the deal through. (Prolonged applause) Ontario's resources he declared, are for Canadian citizens."

Well, if the honourable member makes good this charge the people of Ontario will applaud him and he will be the next Premier of Ontario. If he fails to do this the people will be justified in inferring that in making his charge of a private agreement in the Backus deal as he calls it, he is merely beclouding the political waters to divert attention from his own private agreement with Mr. Mathieu.

A PLEA FOR JUST COMMON DECENCY IN PUBLIC DISCUSSION.

I had intended, Mr. Speaker, in this address to deal with some matters of record in my own department, with the reorganization and rehabilitation of the insurance branch under Mr. Evan Gray, an achievement in which I take some pride, with the reorganization of the police branch of my department under General Williams,—a subject about which the House would, I should think, like to hear something,—with the reorganization of the police magistrates of this Province which is now almost complete. But these things have all been crowded back by what seemed to me to be the urgency of the subject of common decency of public debate in this House and outside, the urgency

of a return to the standards set by Mowat and Meredith and their successors. Champlain records in his diary that at the first fight witnessed by him between the Hurons and Iroquois Indians the savages spent the whole night long before the battle hurling taunts and insults at each other. It sometimes seems to me that some of the modern politicians must have in them some of the blood of the Aborigines, but if so there has obviously been a decadence in the posterity because at least the savages did not deliver their taunts at long range. They spoke face to face with each other and then stood their ground and fought it out there. The modern practice as recently exemplified in this Province is to deliver a broad-side of taunts and insults in the friendly atmosphere of a Conservative Convention or a Conservative Ward Association. May I venture to suggest that the practice of the modern Mohawks is tame and cowardly compared with that of their savage ancestors of three hundred years ago, and worse even than the taunts and insults are the obviously deliberate exaggerations, perversions and falsifications.

And all this bad temper and all these false pretences and falsifications of fact are to what end?

Why to the end that the Hon. Member for Grenville may displace the present Premier of this Province, from his seat, the first chair to the right of the Speaker. He tells us so himself. He is going to fight on and he may be trusted to use the accustomed weapons.

Let me remind him that the present Premier of Ontario did not seek this seat to my left. It sought him and he accepted it as a public service.

Mr. Drury will be judged by the people of Ontario not by what the Hon. member for Grenville may say about him, but on his record, as written in the statute books of Ontario and on his administration of the affairs of this Province.

Political Patronage as practiced by Mr. Howard Ferguson when he was Minister of Lands and Forests.

Speech delivered by Mr. Raney during the Session of 1922 on the second reading of his bill approving of the settlement of the action of the Attorney General against the Shevlin Clarke Company.

MR. SPEAKER:

On the 2nd of March the Hon. member for Grenville (Mr. Ferguson) drew the attention of the House to the newspaper report of a discussion of settlement of the Shevlin Clarke litigation. There was no intimation then of the terms of the settlement but the Hon. member nevertheless told the House that he desired to protest in the most vigorous language he could command against any settlement of the action. It was not surprising therefore that when the terms of the settlement were announced the other day the Hon. member for Grenville should at once have denounced the settlement as a political dodge designed to discredit the late Minister of Lands and Forests (Mr. Ferguson.) Apart from this objection he recorded two other specific objections:—He said that in making a settlement of the litigation on a basis that will realize for the Province from \$1,250,000.00 to \$1,500,000.00 the Government was settling for too little. He said the Government ought to insist on being paid for every foot of the 350 odd millions of overrun as found by the Commissioners on the Timber Inquiry. Then in the next breath he denounced the settlement on the ground that the judgment of Mr. Justice Logie with regard to the Quetico Park Berths 45 and 49 was not well founded. He said that no reputable lawyer could be found in Ontario who would say that the judgment would be affirmed in whole or in part on an appeal. In other words the objection was that the Government was getting too much out of the settlement.

These arguments like the Kilkenny cats are mutually destructive, but as the Hon. Member has announced his intention of dealing more at length with the subject on the second reading of this bill I crave the indulgence of the House while I review as briefly as I may the facts leading up to the settlement which the Government proposes shall be confirmed by this Bill.

TIMBER COMMISSION'S REPORT

The interim report of the Timber Commission which was made in October 1920, contained these paragraphs:—

15. "The statutes provide that the Minister of Lands, Forests and Mines may grant licenses to cut timber on ungranted public land 'subject to conditions, regulations and restrictions as may from time to time be prescribed by the Lieutenant Governor in Council.'

16. "On March 7th., 1914, during (Sir) William Hearst's incumbency of the office of Minister of Lands, Forests and Mines, regulations were prescribed by the Lieutenant Governor in Council which thereby became binding in law upon the Minister.

17. "One of the said regulations required that the 'Limits shall be offered for sale by public competition' at an upset price after public notice, and that they 'shall be awarded to the highest bidder.'

19. "On August 30, 1919, without notice to the public and without competition he caused a license to be issued to the Shevlin Clarke Company for Berths 45 and 49 in the Quetico Forest Reserve, about 21 sq. miles in extent, which he swore was 'a very fine stand of pine' and which undoubtedly was very valuable timber.

20. "Mr. Ferguson alleges that this was for the purpose of an experiment; but there is no provision in the statutes or regulations allowing an exception to the clear provisions above set out.

"The issue of this license was a violation of the law of the province."

The Government thereupon brought suit to set aside the sale to the Shevlin Clarke Company of these Berths 45 and 49. Before the trial of the action it was agreed between the Company and the Government that if the Court should take the same view as the Judges who constituted the Timber Commission, namely, that the sale of these limits was invalid the Government would confirm the sale at a price that might be found by the Court to be the fair value at the time of the sale, and the case proceeded to trial on that basis.

MR. JUSTICE LOGIE'S DECISION

Then permit me, Mr. Speaker, to read from the reasons for judgment of Mr. Justice Logie who tried the case and handed down his decision about two months ago:—

"The provisions of the regulations made under the Crown Timber Act R.S.O., Chap. 29, which in my opinion govern this transaction, disclose a policy legislatively declared which should be rigorously enforced by the Court and all attempts whether honestly made or not to defeat it by circuitous methods defeated.

"The agreement and License in question was entered into contrary to the express provisions of these regulations in two respects:—(1st) there was no public competition, (2nd) the license was granted in a binding manner for a period of five years, instead of twelve months and therefore cannot stand. Nor do the provisions as to brush burning avail to take the contract out of the statute. Methods of brush destruction and the cost thereof were at the time of the contract well known and easily ascertainable and assuming the good faith of the departmental officials as I do in this respect, the said agreement and license notwithstanding the brush burning condition was in fact nothing other than a license to cut timber on ungranted public lands, and being made in the teeth of the regulation, was, and is, null and void *ab initio* on the short ground that the acts of subordinates are subject to the rule of law.

"In view of this opinion, by the terms of the agreement of 27th. August, 1921, the Company must pay for all pine timber cut but not heretofore paid for, or hereafter cut, or agreed to be cut upon said berths, as well as for pine timber already cut and paid for, the fair value thereof, as at the date of such license in lieu of the price mentioned in the license hereinbefore referred to.

"In appreciating the situation as to what was the fair value of such pine timber at said date I have taken into consideration and given full weight to all the factors disclosed by the evidence which entered into the price to be paid for stumpage in the locality in which this particular stumpage was situated and not without anxious deliberation upon and digestion of the mass of facts and figures submitted I have come to the conclusion that the price was much too low.

"I find that the fair value of the pine stumpage on these berths at the said date was \$17.60 per thousand feet log scale, Doyle rule, exclusive of Crown dues but including; the burden of brush burning instead of the price provided in the license, viz; \$7.00.

"The evidence shows that 16,036,915 feet have been returned to the Department as the amount cut in the seasons 1919-20 and 1920-21

and this amount has been accepted by the plaintiffs for the purposes of this action as correct.

"On this basis the defendants are indebted to the Crown in the sum of \$169,991.20 for pine timber already cut for which sum there will be judgment for the plaintiffs.

"The defendants will also pay to the Crown the sum of \$17.60 per 1,000 feet log scale, Doyle rule, on all timber cut but not yet returned, as well as on all pine timber still remaining uncut when cut by them."

PROVINCE GETS OVER MILLION DOLLARS

Translated into dollars the effect of the judgment was that the Company was ordered to pay an additional \$10.60 per thousand feet on all the lumber on these berths. The estimates of the quantity of timber varies from 100,000,000 to 120,000,000 feet board measure so that the Province will receive from upwards of a million to upwards of a million and a quarter dollars more for this stand of pine than the amount called for by the contract made by the Hon. Member for Grenville.

Now with the permission of the House I propose to discuss some matters that were brought out in evidence in the trial of this case that were not referred to in the judgment—matters that will be of very great and grave interest to the members of this House.

You will recall, Mr. Speaker, that the transaction that was in controversy in the action that was tried by Mr. Justice Logie took place in the summer of 1919, just prior to the last provincial election. But the evidence introduced another transaction that took place between the Shevlin Clarke Company and the late Government in the summer of 1917, just prior to the Dominion election. That transaction was the sale of Berth 51 in the Quetico Reserve. The facts in this transaction did not come to the knowledge of the Government till the trial last December of the case in respect of Berths 45 and 49, but it will be convenient to deal with the case of Berth 51 first, because it came first in order of date and because it was in a sense the foundation for the transaction of 1919.

THE "CHARACTERS" IN THE DRAMA

Now let us first get the parties to these transactions—the characters so as to speak in the drama.

First and foremost was the Minister of Lands and Forests, the Hon. Member for Grenville whose role it was to safeguard the interests of the Province of Ontario.

Secondly, there was Mr. Mathieu the Hon. Member for Rainy River whose duty, as a member of the Legislature, was also to safeguard the interests of the Province of Ontario.

Thirdly, there was that same Mr. Mathieu whose duty as general manager of the Shevlin Clarke Company was to look after the interests of that Company. On the stage it is not uncommon for one actor to play two parts but he never plays two parts at one and the same time. In this drama Mr. Mathieu was called upon to play two parts at the same time.

The third chief character, or the fourth chief character (according as you call Mr. Mathieu one or two) was a young man named Allan Macdonald whose part will be immediately described—and then there were two or three minor characters, Watts, the Crown Timber Agent at Fort Frances in 1917, Jones, the Crown Timber Agent in 1919 and one or two others.

Now I need not tell the House the relations that existed in 1917 and 1919 between the Minister of Lands and Forests and the member for Rainy

the Government of the day, as they had been for several years, and Mr. Mac-River (Mr. Mathieu). Their relations were those of leader and follower in thien had the patronage of the riding including the nomination of Crown Lands officials charged with the duty of looking after the interests of the Province in matters between the Province and his Company. Let me quote from his evidence before the Timber Commission:—

- "Q. You are a Member of Parliament for Rainy River?
"A. Yes.
"Q. And have been for many years?
"A. Since 1911.
"Q. In the local house?
"A. Yes.
"Q. Who had the patronage for this district in the last government up to the change?
"A. So far as the Government matters were concerned I had it.
"Q. Who appointed the Crown Timber Agent that was appointed some years ago, whose recommendations?
"A. Mine.
"Q. What is his name?
"A. W. M. Jones.
"Q. Is the present agent?
"A. Yes.
"Q. He represents the government there?
"A. Yes.
"Q. In looking after the bush operations?
"A. Yes, sir.
"Q. You recommended his appointment to the Government?
"A. Yes, sir.
"Q. Then the cullers that are appointed, did you rerecommend any cullers to the Government for positions?
"A. What kind of positions?
"Q. As cullers?
"A. I might have done that.
"Mr. Justice Riddell, Did you?
"A. Very likely I did in some cases."
But who was Allan Macdonald?

Well, Macdonald was a young Fort Frances man in his twenties, who was appointed by the Minister of Lands and Forests to be assistant Crown Timber Agent at Fort Frances early in 1916, on the nomination of Mr. Mathieu who as member for Rainy River had, as has been said, the patronage of the riding.

Now we are ready for the documents.

On the 24th of August 1917 the Department after some correspondence with the Shelvin Clarke Company about Berth 51 wrote to George Watts, Crown Timber Agent at Fort Frances inquiring whether he had any information about the timber on Berth 51. Mr. Watts answered on the 29th of August that the Fort Frances office had no definite information. Then on the 6th of September the Department wired to Mr. Watts as follows:—

"Have examination made at once of Berth 51 and report fully as to quantity of red and white pine and other timber. State its condition and give opinion as to its value having regard to its situation."

Then after a decent interval came a letter to the Department from Watts, the Crown Timber Agent, enclosing what purported to be a report to him from his assistant Macdonald, pursuant to the request of the Departement.

I invite your attention to the terms of this report, because every word of it was false:—

Sept. 29th, 1917.

George Watts, Esq.,
Crown Timber Agent
Fort Frances, Ont.

"Sir:

"Acting on your instructions I went to limit No. 51 and estimated the timber thereon and beg to report as follows:—24,900,000 feet of pine, 40 per cent. of which is white, the balance is red pine. The white pine is large and considerable of it punkey. The red pine is of fair quality except along the shores on the rocks where it is small and scrubby. There is some spruce, balsam, poplar and birch scattered throughout the limit but not insufficient quantities to be of any commercial value.

"I would consider \$7.00 per thousand feet a fair price for this timber.

Your obedient servant,

Allan Macdonald."

MACDONALD NEVER VISITED LIMIT

Young Macdonald did not have his foot on the limit. During the time that elapsed between the telegram from the Department, a matter of 23 days, he was sitting around the Fort Frances office. He knew nothing about the limit when he wrote the report. He was simply drawing upon his imagination and he knew nothing whatever of the value of the timber. Listen to his evidence at the trial:—

"Question: A request had come from the Government in the form of a telegram dated Sept. 6th, 1917, signed by the Deputy Minister and addressed to Mr. Watts, Crown Timber Agent: "Have examination made at once of Berth 51 and report fully as to quantity of red and white pine and other timber. State its condition and give your opinion as to its value having regard to the situation. Do you recall that telegram?"

"A. No, but it is possible that I saw it.

"Q. Then an intermission takes place from the 6th September to the 29th September. Was any cruise of the limit made during that period?

"A. Not to my knowledge.

"Q. And then after a time elapses during which it is possible a cruise might have been made, this report is sent into the Department. That is the fact, is it not, Mr. Macdonald?

"A. Yes, the report was sent in.

"Q. Then you not only did that, but you attached a sketch. Is that your signature on this sketch; Mr. Macdonald?

"A. Yes.

"Q. Dated September 29, 1917, putting an estimate of the amount of timber on each particular section of the limit?

"A. (No answer).

"Q. Did you do that?

"A. Yes, it appears to be my handwriting.

"Q. Where did you get the figures that you put on each particular section of the limit, Mr. Macdonald?

"A. From Mr. Watts.

"Q. Had you any knowledge of them yourself?
"A. No
"Q. None whatever?
"A. No.

HAD NO QUALIFICATIONS

What steps had the Minister taken to ascertain Macdonald's qualification to estimate what was known to be one of the finest stands of pine in Canada? So far as appears no steps whatever. If he had made inquiries he would have ascertained, what Macdonald admitted on oath at the trial, that he had no qualifications.

Note Mr. Speaker, that Macdonald reported 24,900,000 feet of pine. At that time the company had in its own office an estimate of 76,000,000 feet of pine for this limit.

This false report was the work of underlings—Watts and Macdonald. Macdonald says that Watts dictated the false report to him. But who dictated or suggested it to Watts? The answer to that will be found in another question which will be easily answered. For whose benefit was the false report made, because Watts and Macdonald were mere creatures in the fraud?

Then how did the Government comply in this transaction with the requirement of the law that all sales of timber shall be by public competition? Not by the ordinary procedure of newspaper advertising, but by sending circulars to 2 or 3 score of persons or firms most of whom were not in the saw milling business and many of whom were either dead or had gone out of business altogether before 1917.

In the result the tender of the Shevlin Clarke Company of \$8.26 per thousand feet board measure was accepted by that Minister.

Then who was looking after the interests of the Province of Ontario in this transaction?

Not the member for Rainy River—for he was looking after the Shevlin Clarke interests: not the youngster Macdonald, the Assistant Crown Lands Agent, because every word of his false report was in the interests of the Shevlin Clarke Company; not Watts, Crown Timber Agent, because he dictated and was a party to the false report; not the Department here in Toronto because it made not the least effort to ascertain the qualifications or the honesty of Macdonald whom the Department and the Minister knew to be the nominee of the manager of the Shevlin Clarke Company which was buying the timber.

So much for the transaction of 1917.

FERGUSON'S BRUSH BURNING SCHEME

Then in 1919 came the scheme for a brush burning experiment and a sale of Berths 45 and 49 without competition and again the services of young Mr. Macdonald, the appointee of Mr. Mathieu were requisitioned.

On the 4th June, 1919, the Department wrote to Mr. Jones, who, had succeeded Mr. Watts as Crown Timber Agent at Fort Frances, intimating that it desired to have a careful inspection made of Berths 45 and 49 adding:—

"I wish you would let me know if you have a man or even two men available for this work who are competent to make an intelligent report both as regards the quantities and character of the various classes of timber."

Mr. Jones by the way, who as I have said was appointed Crown Timber Agent on the nomination of Mr. Mathieu in his double character as manager of the Shevlin Clarke Company and representative in the Legislature for

Rainy River, was in the employment of the Shevlin Clarke Company as a clerk when he was appointed to be Crown Timber Agent. This was his evidence at the trial:—

- "Q. When you came back here after the war what did you do?
"A. Fire-ranged for the Forestry Branch of the Ontario Government.
"Q. What did you do after that?
"A. I clerked for the Shevlin Clarke Company.
"Q. Were you clerking for them when you were appointed Crown Timber Agent?
"A. Yes.

On the 13th June 1919 Mr. Jones wrote to the Department recommending Ranger James Nault and the Assistant Crown Lands Agent, Allan Macdonald as the best qualified men in the district to make report as required—the same Allan Macdonald who has made the false report in 1917.

Then on the 16th June, the Department answered Mr. Jones saying that 'these men are quite satisfactory to the Department and I am sure that they should from their experience be able to make the report which the Department desires.'

There is nothing in the correspondence to indicate the grounds the Department had for its confidence as expressed in this letter, in young Mr. Macdonald who as a matter of fact had in his short life had no experience whatever either in estimating or in valuing timber, and there is no suggestion that Nault knew any more about estimating timber than Macdonald.

Then on the 6th August 1919 came the report of Allan Macdonald addressed to Mr. Jones as follows:—

"On Timber Berth 45 we found 30,000,000 feet B.M. of Pine 35% White Pine and 65% Red Pine.

"On Berth 49 we found 12,000,000 feet B.M. of Pine 50% White and 50% Red Pine."

"We consider \$8.50 per M a fair price including crown dues."

After this correspondence the Department wrote to the Shevlin Clarke Company under date of August 20th, 1919, and from this letter which is a lengthy one, I extract as follows:—

"As you are aware through conversation with various officials of your Company at this office, this Department for some time past has had in mind to make a practical test of some timber area of the Province with regard to the removal or destruction of debris caused by timber operations.

"In view of our experience with fire during the present season which you know has been an exceptional one so far as rainfall is concerned, it has been decided to make a practical test with regard to the proper disposing of debris in connection with lumber operations at once. After due investigation we have come to the conclusion that there is perhaps no more suitable area for such a test than on Berth 45 and 49 in Quetico Park in the district of Rainy River. This is a new Departure in the annals of Ontario lumbering though we understand that your firm has had considerable experience in some parts of the United States in connection with this particular class of work, in fact we know of no other operators in Ontario who have had experience along this line, and in view of this we are asking if you would consider favorably a proposition to cut and remove the timber on the berths to which reference has already been made and at the same time undertake to properly remove and destroy all debris caused by such operation.

"After having given due consideration to the reports which we have in connection with this timber, we believe that the following charges with regard to the timber would be reasonable in view of the conditions under which the cutting would be carried on, viz:—

"Pine sawlogs including all classes of Pine \$7.00 per M. ft. B.M. plus \$2.00 dues, total \$9.00 per M."

MINISTER AIDS MEMBER

In other words the then Minister threw these valuable timber berths at the head of the Company of which the member for Rainy River was the general manager and who had made all the arrangements for the cruising of the berths by his nominee, young Macdonald.

The reference in this letter to brush burning as a new departure in the annals of Ontario lumbering was not fortunate. It was proved at the trial that the Shevlin Clarke Company had carried on a joint experiment with the Government in 1910-11 on several of their berths and that there was a large volume of departmental correspondence covering it. Furthermore, a simple inquiry from the Federal authorities would have elicited the information that brush burning terms were included in all sales by the Department of Indian Affairs at Ottawa, and that in 1917 the Keewatin Lumber Company purchased Reserve Berth No. 35c, Lake of the Woods at a cash bonus price which was equivalent to about \$25.00 per thousand for the pine, in addition to burning the brush, and that such brush was burned to the satisfaction of the Indian Department. Not only so but brush burning has been an accepted policy in all Federal Pine sales in the United States, all state sales in Minnesota and all British Columbia sales for at least ten years, and full detailed information as to the best methods could easily have been ascertained from any of these sources. It is ridiculous to suggest that Ontario conditions were so different from say Minnesota conditions as to render Minnesota experience worthless in Ontario and to render necessary such an expensive experiment. The evidence at the trial showed that although Mr. Mathieu himself suggested the experiment in 1910 his company failed to give it proper attention and the then Deputy Minister, Mr. Aubrey White, had so much trouble keeping them at the work that Mr. Justice Logie was prompted to remark at the trial that the brush burning correspondence of 1910-11 seemed interesting chiefly as evidence of the company's failure to carry out its bargain.

MACDONALD'S REPORT UNRELIABLE

Macdonald's report of 42,000,000 feet of pine on Berths 45 and 49 in 1919 was no more reliable than his report in respect to Berth 51 in 1917. The actual quantities of pine on these berths were established in evidence at the trial before Mr. Justice Logie.

The estimate of Mr. W. Gamble, a thoroughly qualified witness, was 110,000,000 to 120,000,000 feet. The estimate of Mr. Rochester, of Ottawa, one of the most experienced men in Canada, was 108,000,000 feet. The company itself had an estimate made in 1903 of 83,000,000.

And how did Macdonald arrive at the price of \$8.50 per thousand? He tells us in his evidence. He took it from the price fixed by him for Berth 51 in 1917, and admits that he knew nothing about the value in either case.

Then who was looking after the interests of the Province of Ontario in this transaction of 1919? Not Jones, the Crown Timber Agent, because he was an ex-employee of the Shevlin Clarke Company and was nominated by Mr. Mathieu to the office; not surely the member for Rainy River who was looking after Shevlin Clarke's interests; obviously not Macdonald who had made the false report in 1917; not the Minister, for he was still asleep at

the switch and timber worth more than \$2,000,000.00 was sold for less than \$1,000,000.00.

DRAWS DOUBLE PAY

A touch of local colour is lent to the transaction of 1919 by the appointment of Young Macdonald by the Government on the nomination of Mr. Mathieu, to be enumerator for the election of 1919 on the eve of his departure to make the cruise of Berths 45 and 49 and his appointment as returning officer on his return from his camping trip,—for such it apparently was. And young Mr. Macdonald had had no more experience in election matters than in timber cruising and yet he was selected by Mr. Mathieu on the very day he left to make his examination of Berths 45 and 49 to be enumerator for the then approaching elections, and he hurried back to Fort Francis to take on that work and subsequently received remuneration for 55 days services as enumerator at the same time that he was drawing his salary as assistant crown lands agent. Let me quote from his evidence again:—

- "Q. Did you have any conversation with Mr. Mathieu in reference to your appointment as enumerator?
"A. Yes.
"Q. You were appointed enumerator for the district?"
"A. Yes.
"Q. What did Mr. Mathieu say about it?
"A. He asked me if I would act as an enumerator."
"Q. Had you ever acted in such capacity before?
"A. No.
"Q. Had you ever had any experience in conducting election matters?
"A. No.
"A. I received my compensation as enumerator.
"Q. In addition to your salary?
"A. Yes.
"Q. You have told us that you went in on the 5th or 6th of July?
"A. I believe so.

"Mr. Rowell: Then I now ask to put in, My Lord, a letter which my learned friend produces from Mr. Mathieu, dated July 5th.

"Mr. Rowell: July 5, 1919, addressed to the Honourable I. B. Lucas, Attorney General, Province of Ontario:—

"Dear Mr. Lucas:

"I wired you today as per the following copy of telegram. I name Allan Macdonald, of Fort Frances, as Chief Enumerator for this district.

J. A. Mathieu."

- "Q. Pursuant to that, you were duly appointed enumerator?
"A. Yes."

A FALSE REPORT

Now Mr. Speaker, this report of 1919 on Berths 45 and 49 was also a false report. Macdonald may have gone over the Berths with Nault. He says he did. But their cruise was only a pretence. Macdonald knew nothing about timber or the price of timber. He did not even know how to make a cruise and the price he recommended \$8.50 per M. had no better foundation than the price, namely \$8.26 at which Berth 51 had sold in 1917.

In these two transactions, Berth 51 in 1917 and Berths 45 and 49 in 1919 the late Government parted with nearly 200,000,000 feet of pine timber

on the reports of a young man who knew nothing of timber cruising or of timber values, who was practically the employee of the purchaser of the timber and whose reports to the Government as it now appears were fabricated.

Did the Shevlin Clarke Company contribute to the cost of the beautiful life size lithographs that adorned the bill boards of this province just prior to the election of 1919? No doubt the Hon. member for Grenville will know. How much? If not, the Company was very ungrateful.

After the judgment of Mr. Justice Logie, the Hon. member for Grenville published a considered statement in the Toronto Mail and Empire in which he said that timber berths 45 and 49 were "cruised and valued by officers of the Department in the same manner as all other timber has been cruised and valued since confederation."

Well, I hope not.

Let me quote from Allan Macdonald's evidence as to just how Berths 45 and 49 were cruised and valued:—

"Q. Had you ever cruised a timber limit before you made that report?

"A. No.

"Q. Have you ever cruised a timber limit since you made that report?

"A. No.

"Q. Then I see in this letter you place a value on this pine: "We considered \$8.50 per M. a fair price on these three berths this is including crown dues." Had you ever valued a timber berth before?

"A. No.

"Q. Have you ever valued one since?

"A. No.

"Q. How did you arrive at the value of the pine?

"A. From the previous sale of timber Berth 51.

"Q. Who bought that?

"A. The Shevlin Clarke Company.

"Q. What year?

"A. 1917.

"Q. Who asked to have 51 put up?

"A. I believe it was the Shevlin Clarke Company.

"Q. Is that your signature Mr. Macdonald?

"A. Yes.

"Q. A report signed by you dated September 29, 1917?

"A. Yes.

"Q. You say "Acting on your instructions I WENT TO LIMIT NO. 51 and estimated the timber thereon and beg to report as follows: 24,900,000 feet of pine; 40 per cent. of which is white, the balance is red pine; the white pine is large and considerable of it is punky. The red pine is of fair quality except along the shores on the rock, where it is small and scrubby. There is some spruce, balsam, poplar and birch scattered throughout the limit but not in sufficient quantities to be of any commercial value. I would consider \$7.00 per M. feet a fair price for this timber." Did you make a cruise of that limit?

"A. No Sir.

The Judge: You did not make a cruise at all?

"A. No Sir.

ONTARIO'S PINE LIMITS SACRIFICED

If it is true that timber berths have been cruised and valued in this way since Confederation then it is not surprising that whilst the State of Minnesota was collecting \$30.00 stumpage dues on her pine, Ontario was selling her's at \$9.00 and it was time in 1919 for a change in this system.

Minnesota pine is sold on the Scribner Rule and Mr. Carpenter, the President of the Shevlin Clarke Company in his evidence stated that a thousand feet of timber sold on the Scribner Rule produced 40% less lumber than a thousand feet sold on the Doyle Rule which prevails in the Rainy River District. The Crown witnesses put the difference at 30%. In reading Minnesota prices if it is necessary therefore to add about 30% or 35% to the price in order to find what an equivalent price would be if the purchaser were buying on the Doyle Rule and getting 30% or 35% more timber as a result.

It was proved in evidence that four sales of large pine areas by the United States Government had taken place in Minnesota as follows:—

In 1917 the Red Lake Indian Reservation at the equivalent of \$18.34 for white and \$14.20 for red pine.

In 1919 the Ruggles timber at Nett Lake at about \$30.00.

In 1920 the Nett Lake Indian Reserve at approximately \$17.85 and the Neils timber at Margie, Minn. at \$42.25.

Translated from the Scribner Rule to the Doyle Rule this would mean an average price paid for pine in what is substantially the same forest as the Quetico Park of \$32.70 per thousand feet.

And it was in 1919 when timber prices were at the peak that the Ontario Government sold these two berths 45 and 49 which equalled the best of these Minnesota Berths, at \$9.50 per thousand. It will not do to offer the explanation that there was brush burning attached to the Quetico Park Berths because there was also brush burning attached to the Minnesota Berths.

In the considered statement issued by the Hon. member for Grenville and published in the Mail and Empire, he says that the price for which he sold the Quetico Park Berths 45 and 49 was the best price that had been realized by the Department up to that time in the Rainy River District. That was probably true but so much the worse for the Province of Ontario. But the Ex-Minister ought not to have confined himself to the Rainy River District because in the month of July 1919, just the previous month to the sale of berths 45 and 49 to the Shevlin Clarke Company without competition at \$9.50 per M. he himself sold a dozen pine berths in the Temagami Reserve at an average price of more than \$20.00 per M. by public competition. Let me give him the names of some of the townships with the prices and the purchasers.

Township of Kenny to J. R. Booth, price \$19.50, estimated quantity 35,000,000 feet.

Township of McNish to J. B. Smith, price \$20.20, estimated quantity 17,055,000 feet.

Township of McCallum to J. B. Smith, price \$20.20, estimated quantity 49,500,000 feet.

Township of Sisk to Piece Lumber Co., price \$22.57, estimated quantity 50,000,000 feet.

And the evidence of the timber experts for the Crown who had made a special examination of both the Quetico and the Temagami berths was that having regard to all the considerations—the stand of the timber, the quality

and its accessibility to the market,—if the Temagami berths were worth \$20.00 per M. the Quetico berths were worth \$25.00.

Mr. Justice Logie gave the Company the benefit of the doubt and fixed the price of the Quetico berths at \$20.10.

FERGUSON IGNORED REGULATIONS

Then why did the Minister fly in the face of the statute and ignore his own regulations requiring:—

- (1) That the berths should be explored and valued.
- (2) Offered by sale by public competition and
- (3) At an upset price fixed by such valuation. That will be for the Ex-Minister to answer.

Was the Shevlin Clarke Company the only company in Canada that could burn brush?

Now a word as to the settlement.

There were three actions pending against the Shevlin Clarke Company. There was first the action in respect of Berths 45 and 49 Quetico Park, the judgment which is now in appeal. Under this judgment the Government will be paid \$10.60 per M. more for all the pine timber cut on these berths than would have been paid had the contract made by the late Minister of Lands and Forests been allowed to stand. The estimated quantities of timber on these berths as I have already intimated run from 100,000,000 to 120,000,000 feet so that under this judgment the Government stands to collect from \$1,600,000.00 to \$1,250,000.00 above the original contract price.

Then there was the action in respect of Berth 51 which has just been commenced. The basis of that action was the charge that the report upon which the Government acted was fraudulent and that the fraud was induced by the defendants, the Shevlin Clarke Company.

Then there was the third action based on the report of the Commissioners in the Timber Inquiry for alleged frauds in the measurement of the lumber cut by the company on Government lands for a number of years past. In respect of these two actions that remain untried the defendants by the terms of the settlement will pay the Government the sum of \$250,000.00 in cash. The Government will receive in cash now, the value of the cut of the company made last year and the year before on Berths 45 and 49 which is ascertained by the judgment at \$170,000.00 plus \$250,000.00 for the settlement of the untried actions, or \$420,000.00 in cash. Besides that it will be paid for this year's cut on the basis of the price fixed by Mr. Justice Logie—that is to say \$20.10 per thousand against \$9.50 per thousand, and for all future years until all the timber is removed the Province will be paid on a basis of \$20.10 per thousand instead of \$9.50.

DRURY GOVERNMENT MAKES GOOD BARGAIN

Moreover, as a term of the settlement, the Company assumes the entire fire and tempest risk on these properties and gives the Government security for the performance of its contracts in \$500,000.00, \$50,000.00 in cash deposit and \$450,000.00 in approved bonds.

Under the old contract the Government had security to the amount of \$150,000.00 in cash and bonds in respect of these two properties. As a result of the judgment the old bonds were as a matter of law probably released by the judgment nullifying the contract so that if the settlement had not been made the Government would have had little or no security against the fire and tempest hazards.

The other day in the House the Hon. member for Grenville protested against the settlement alleging that the Government was under obligation to carry all these cases down to trial and I presume to the highest court of appeal in each case. But the Government was influenced by considerations other than the mere amount of money involved. Some of these considerations I am not at liberty to discuss at this moment, but I am at liberty to mention two of them. First the fact that failing a settlement the Company would have closed down, perhaps would have been compelled to close down its plants at Fort Frances. The Government was not willing, except as a last resort, to be instrumental in bringing about this condition.

Another consideration that was influential with the Government was the fact that the Company was not the only party guilty of misconduct with regard to the matters covered by these law suits. The accredited representatives of the Government were equally guilty. The Company is essentially a foreign corporation. The Government of Ontario is continuous and this Government is responsible in a degree so far as cotractual relations are concerned for the acts and conduct of previous governments. In that view there was an obligation I think on the part of this government to assume on behalf of the Province a share of the loss due to the joint misconduct of the Company's representative and representatives of the Province.

In conclusion permit me to say that I trust that this litigation will prove the culmination of the mis-management of the timber resources of this Province. If that end is accomplished the mere matter of dollars and cents involved in this settlement or in any other settlements which may be made with other companies who have obtained improper advantages at the expense of the Government will be a comparatively unimportant matter.

UTL AT DOWNSVIEW



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